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POLICY MEMORANDUM – KY-FD-PM-S-06-02

TO: Food Service Directors / Administrators

FROM: Teresa Ulery, Director
Division of Food Distribution

DATE: August 26, 2005

SUBJECT: End-of-Year Carry Over of Processed Commodities

It has been brought to our attention that over the past few years, some processors and school systems have carried over commodity and/or end-product inventory at the school level from one School Year to the next. This process causes additional difficulties in appropriately accounting for Donated Foods.

Any commodity that has been allocated to a school system to be used during a specific School Year must produce end-products that are delivered to the school system on or before June 30 of that year. Any unused balance will be purchased by the processor or carried over to the next School Year in a general account and will be reallocated for use in the next year in the usual manner. No balances may be carried over from one School Year to the next at the school system level.

The intent is for the school system to use all of their allocated entitlement each year. Commodities represent an extension of entitlement as it is the only thing that it can be used for. Donated food should, therefore, be managed in the same manner as entitlement money.

Should you have questions or concerns about the policy, please contact Rick Betsworth ext 262 or myself at 502-573-0298 ext 261.

TU/rb